

**COOPERATION AGREEMENT  
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT,  
HOME INVESTMENT PARTNERSHIP PROGRAM, AND EMERGENCY SOLUTIONS  
GRANT FOR FISCAL YEARS 2021-22, 2012-23, 2023-24**

This Cooperation Agreement for the Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Solutions Grant for Fiscal Years 2021-22, 2022-23, and 2023-24, hereinafter referred to as "Agreement," is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY of **CITY of DESERT HOT SPRINGS**, an incorporated municipality within the geographical boundaries of the COUNTY, hereinafter referred to as "CITY," who together are sometimes referred to herein individually as "Party" or collectively as the "Parties."

**RECITALS**

**WHEREAS**, the Housing and Community Development Act of 1974, as amended (Public Law 93-383), hereinafter called "ACT," provides that Community Development Block Grant, funds hereinafter referred to as "CDBG," may be used for the support of activities that provide decent housing, suitable living environments, and expanded economic opportunities principally for persons of low and moderate-income; and

**WHEREAS**, the HOME Investment Partnerships Act program, hereinafter referred to as "HOME," was enacted as Title II of the National Affordable Housing Act of 1990, for the purposes of: expanding the supply of decent, affordable housing for low and very-low income families with emphasis on rental housing; building State and local capacity to carry out affordable housing programs; and providing for coordinated assistance to participants in the development of affordable low-income housing; and

**WHEREAS**, the Emergency Solutions Grant, hereinafter referred to as "ESG," was authorized by the McKinney-Vento Homeless Assistance Act of 1987 and the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. The objectives of the ESG program are to increase the number and quality of emergency shelters and transitional

1 housing facilities for homeless individuals and families, to operate these facilities and provide  
2 essential social services, and to help prevent homelessness.

3 **WHEREAS**, CDBG regulations requires an eligible county to re-qualify as Urban County  
4 under the CDBG program every three (3) years; and

5 **NOW THEREFORE**, in consideration of the mutual covenants herein set forth  
6 and the mutual benefits to be derived there from, the Parties agree as follows:

7 1. GENERAL.

8 (a). This Agreement gives COUNTY authority to undertake, or assist in  
9 undertaking, activities for Fiscal Years 2021-22, 2022-23, and 2023-24, that will be funded from  
10 the CDBG, HOME, and ESG programs and from any program income generated from the  
11 expenditure of such funds. COUNTY and CITY agree to cooperate, to undertake, or to assist in  
12 undertaking, community renewal and lower-income housing assistance activities. COUNTY is  
13 qualified as an "Urban County" under the ACT. CITY, by executing this Agreement, hereby gives  
14 notice of its election to participate in an Urban County's Community Development Block Grant  
15 (CDBG), Home Investment Partnership Act (HOME), and Emergency Solutions Grant (ESG)  
16 programs, hereinafter referred to as "Urban County Programs".

17 (b). By executing this Agreement, CITY understands that it may not apply for  
18 grants from appropriations under the Small Cities or State CDBG Programs for fiscal years during  
19 the period in which it participates in the Urban County's CDBG program and that CITY may only  
20 participate in the HOME program through the COUNTY'S Urban County Programs, not a HOME  
21 consortium. The CITY may also apply for HOME funds from the State of California, if permitted  
22 by the State.

23 (c). By executing this Agreement, CITY understands that it may only receive a  
24 formula allocation of ESG funds through the COUNTY'S Urban County Programs. The CITY  
25 may also apply for ESG funds from the State of California, if permitted by the State.

1                   2.     TERM.

2                   The term of this Agreement shall be for three (3) years commencing on July 1,  
3 2021, through June 30, 2024, unless an earlier date of termination is fixed by U.S. Department of  
4 Housing and Urban Development, hereinafter referred to as HUD, pursuant to ACT.

5                   COUNTY shall notify CITY of CITY's right not to participate in the next three-year period  
6 no later than the date specified by HUD in the *Urban County Qualification Notice*. CITY shall  
7 notify COUNTY no later than the date specified in COUNTY's notification that CITY elects not  
8 to participate in the next three-year Urban County Program. COUNTY shall send copies of all  
9 notifications required by this Paragraph to the HUD Field Office.

10                  The terms of this Agreement shall remain in effect until the CDBG, HOME, and  
11 ESG funds and program income received with respect to activities carried out during the three-  
12 year qualification period are expended and the funded activities completed. Furthermore, neither  
13 the COUNTY nor the CITY may terminate or withdraw from this Agreement while it remains in  
14 effect.

15                   3.     PREPARATION OF FEDERALLY REQUIRED FUNDING  
16 APPLICATIONS.

17                  The Riverside County Department of Housing, Homelessness Prevention, and  
18 Workforce Solutions, subject to approval of COUNTY's Board of Supervisors, shall be  
19 responsible for preparing and submitting to HUD, in a timely manner, all reports and statements  
20 required by the ACT and the Federal regulations promulgated by HUD to secure entitlement grant  
21 funding under the CDBG, HOME, and ESG programs. This duty shall include the preparation and  
22 processing of COUNTY Housing, Community, and Economic Development Needs Identification  
23 Report, Citizen Participation Plan, the County Five-Year Consolidated Plan, One-Year Action  
24 Plan, Consolidated Annual Performance and Evaluation Report (CAPER), and other related  
25 programs which satisfy the application requirements of ACT and its regulations.

26                   4.     COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND  
27 OTHER APPLICABLE STATUTES, REGULATIONS AND ORDINANCES.

1 (a) COUNTY and CITY will comply with the applicable provisions of the ACT  
2 and those Federal regulations promulgated by HUD pursuant thereto, as the same currently exists  
3 or may hereafter be amended.

4 (b) The COUNTY and CITY **are hereby obligated** to take all actions necessary  
5 to assure compliance with COUNTY's certification regarding affirmatively furthering fair housing  
6 pursuant to Section 104 (b) of Title I of ACT, as amended.

7 (c) The COUNTY and CITY are hereby obligated to take all actions necessary  
8 to assure compliance with Section 504 of the Rehabilitation Act of 1973 and the Age  
9 Discrimination Act of 1975.

10 (d) COUNTY and CITY shall comply with the applicable provisions of the  
11 following: National Environmental Policy Act of 1969; Title VI of the Civil Rights Act of 1964  
12 and Title VIII of the Civil Rights Act of 1968; the Fair Housing Act; Title 24 Code of Federal  
13 Regulations part 570; Cranston-Gonzales National Affordable housing Act (Public Law 101-625);  
14 Executive Order 11063, as amended by Executive Order 12259; Executive Order 11988; the  
15 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42  
16 U.S.C. §4630, et. seq.); and other Federal or state statute or regulation applicable to the use of  
17 CDBG, HOME Investment Partnerships Act (enacted as Title II of the National Affordable  
18 Housing Act of 1990), and Emergency Solutions Grant funds.

19 (e) CITY agrees that the Urban County Program funding for activities in, or in  
20 support of, the CITY are prohibited if CITY does not affirmatively further fair housing within  
21 CITY'S jurisdiction or impedes COUNTY actions to comply with its fair housing certification.

22 (f) CITY and COUNTY shall meet the citizen participation requirements of 24  
23 CFR 570.301 and provide Riverside County citizens with all of the following:

24 i. The estimate of the amount of CDBG funds proposed to be used for  
25 activities that will benefit persons of low and moderate-income;

26 ii. A plan for minimizing displacement of persons as a result of  
27 activities assisted with CDBG funds and to assist persons actually displaced as a result of such  
28 activities;

1                   iii.     A plan that provides for and encourages citizen participation, with  
2 particular emphasis on participation by persons of low and moderate-incomes, residents of slum  
3 and blighted areas, and of areas in which funds are proposed to be used, and provides for  
4 participation of residents in low and moderate-income neighborhoods;

5                   iv.     Reasonable and timely access to local meetings, information, and  
6 records relating to the grantee's proposed use of funds, as required by the regulations of the  
7 Secretary, and relating to the actual use of funds under the ACT;

8                   v.     Provide for public meetings to obtain citizen views and to respond  
9 to proposals and questions at all stages of the community development program, including at least  
10 the development of needs, the review of proposed activities and review of program performance.  
11 Meetings shall be held after adequate notice, at times and locations convenient to potential or  
12 actual beneficiaries, and with accommodation for the disabled.

13                  (g)     CITY shall develop a community development plan, for the period of this  
14 Agreement, which identifies community development and housing needs and specifies both short  
15 and long-term community development objectives.

16                  (h)     CITY certifies, to the best of its knowledge and belief, that:

17                         i.     No Federal appropriated funds have been paid or will be paid, by or  
18 on behalf of the CITY, to any person influencing or attempting to influence an officer or employee  
19 of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a  
20 Member of Congress, in connection with the awarding of any Federal contract, the making of any  
21 Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and  
22 the extension, continuation, renewal, amendment or modification of any Federal contract, grant,  
23 loan or cooperative agreement.

24                         ii.    If any funds other than Federally-appropriated funds have been paid  
25 or will be paid to any person for influencing or attempting to influence an officer or employee of  
26 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a  
27 Member of Congress, in connection with this Federal contract, grant, loan, or cooperative  
28

1 agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to  
2 Report Lobbying", in accordance with its instructions.

3                   iii.       The CITY shall require that the language provided in Section 4(e)(i)  
4 and (ii) of this Agreement be included in the award documents for all sub-awards at all tiers  
5 (including subcontracts, sub- grants and contracts under grants, loans, and cooperative agreements)  
6 and that all sub-recipients shall certify and disclose accordingly. This certification is a material  
7 representation of fact upon which reliance was placed when this transaction was made or entered  
8 into.

9                   (i)       CITY certifies that it has adopted and is enforcing a policy prohibiting the  
10 use of excessive force by law enforcement agencies within its jurisdiction against any individuals  
11 engaged in non-violent civil rights demonstrations, and that it has adopted and is enforcing  
12 applicable State and local laws against physically barring entrance to, or exit from, a facility or  
13 location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

14                   5.       COMPLIANCE WITH POLICY AND PROGRAM OBJECTIVES.

15                   The COUNTY's Board of Supervisors have adopted policies and procedures to  
16 ensure efficient and effective administration of the CDBG, HOME, and ESG programs. COUNTY  
17 will provide these policies and procedures to CITY within a reasonable time after this Agreement's  
18 commencement date. COUNTY and City agree to comply with these said policies and program  
19 objectives and to take no actions to obstruct implementation of the approved 2019-2024 and  
20 subsequent Five Year Consolidated Plans.

21                   6.       OTHER AGREEMENTS.

22                   Pursuant to Federal regulations at 24 CFR 570.501(b), CITY is subject to the same  
23 requirements applicable to sub-recipients, including the requirement of a written agreement set  
24 forth in Federal regulations at 24 CFR 570.503. For each fiscal year during the term of this  
25 Agreement, COUNTY and CITY shall enter into an additional agreement, commonly known as a  
26 Supplemental Agreement, that will have a term coinciding with a CDBG Program Year and  
27 enumerate the project(s) CITY will implement with its entitlement funds. Said Supplemental  
28 Agreement will set forth the time schedule for completion of said project(s) and any funding

1 sources, in addition to entitlement funds, that will be used in completing the project(s). If  
2 substantial compliance with the completion schedule, due to unforeseen or uncontrollable  
3 circumstances, cannot be met by CITY, the schedule for the project(s) may be extended by  
4 COUNTY. If COUNTY determines that substantial progress toward drawdown of funds is not  
5 made during the term of the Supplemental Agreement, the entitlement funds associated with the  
6 project(s) may be reprogrammed by COUNTY, to other activities as determined by COUNTY,  
7 after COUNTY provides appropriate written notice to CITY. COUNTY's decision not to extend  
8 the completion schedule associated with the project(s), or to reprogram the entitlement funds  
9 associated with the project(s), will not excuse CITY from complying with terms of this Agreement.

10               7.     DETERMINATION OF PROJECTS TO BE FUNDED AND  
11 DISTRIBUTION OF ENTITLEMENT FUNDS.

12               CITY agrees to submit to COUNTY, no later than the date specified by COUNTY  
13 prior to each program year, the activities that the CITY desires to implement with its entitlement  
14 funds, said designation to comply with statutory and regulatory provisions governing citizen's  
15 participation. Said designation is to be reviewed by the COUNTY's Department of Housing,  
16 Homelessness Prevention, and Workforce Solutions to determine that the projects are eligible  
17 under Federal regulations for funding and inclusion in the One Year Action Plan of the County's  
18 Five-Year Consolidated Plan and consistent with both Federal and COUNTY policy governing  
19 use of Community Development Block Grant (CDBG) funds.

20               In the event that CITY fails to submit to COUNTY the identified activities that the  
21 CITY desires to implement with its entitlement funds by the date specified prior to each program  
22 year, the COUNTY may determine the activities to be funded, without consent of the CITY,  
23 consistent with both Federal and COUNTY policy governing use of Community Development  
24 Block Grant (CDBG) funds.

25               Consistent with Paragraphs 3, 4, 5, 6, and 7 of this Agreement, COUNTY's Board  
26 of Supervisors will make the final determination of the distribution and disposition of all CDBG  
27 funds received by COUNTY pursuant to the ACT.  
28

1                   8.     COMMUNITY DEVELOPMENT BLOCK GRANT MANUAL.

2                   CITY warrants that those officers, employees, and agents, retained by it and  
3 responsible for implementing projects funded with CDBG have received, reviewed, and will  
4 follow the Community Development Block Grant Manual that has been prepared and amended by  
5 COUNTY, and by this reference, said Manual is incorporated herein and made a part hereof.

6                   9.     REAL PROPERTY ACQUIRED OR PUBLIC FACILITY  
7 CONSTRUCTED WITH CDBG FUNDS.

8                   When CDBG funds are used, in whole or in part, by CITY to acquire real property  
9 or to construct a public facility, CITY will comply with the National Environmental Policy Act of  
10 1969 (42 U.S.C. §§4321, et seq.), the California Environmental Quality Act (Cal. Pub. Resources  
11 Code §§21000, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies  
12 Act of 1970 (42 U.S.C. §§4630, et seq.), and the California Government Code Sections 7260 et  
13 seq., as those Acts may be amended from time-to-time and any Federal or state regulations issued  
14 to implement the aforementioned laws.

15                  In addition, the following is to occur:

16                  (a)     Title to the real property shall vest in CITY;

17                  (b)     The real property title will be held by or the constructed facility will be  
18 maintained by the CITY for the approved use until five (5) years after the date that the project is  
19 reported as “Completed” within the annual Consolidated Annual Performance and Evaluation  
20 Report.

21                  (c)     While held by CITY, the real property or the constructed facility is to be  
22 used exclusively for the purpose for which acquisition or construction was originally approved by  
23 COUNTY;

24                  (d)     CITY shall provide timely notice to COUNTY of any action which would  
25 result in a modification or change in the use of the real property purchased or improved, in whole  
26 or in part, with CDBG or HOME funds from that planned at the time of acquisition or  
27 improvement, including disposition.



1 (e) CITY shall provide timely notice to citizens and opportunity to comment  
2 on any proposed modification or change;

3 (f) Written approval from COUNTY must be secured if the property or the  
4 facility is to be put to an alternate use that is or is not consistent with Federal regulations governing  
5 CDBG funds;

6 (g) Should CITY desire during the five (5) year period to use the real property  
7 or the constructed facility for a purpose not consistent with applicable Federal regulations  
8 governing CDBG funds or to sell the real property or facility, then:

9 (i) If CITY desires to retain title, it will have to reimburse either COUNTY  
10 or the Federal government an amount that represents the percentage of current fair market value  
11 that is identical to the percentage that CDBG funds initially comprised to when the property was  
12 acquired or the facility was constructed;

13 (ii) If CITY sells the property or facility, or is required to sell the property  
14 or facility, CITY is to reimburse the COUNTY an amount that represents the percentage of  
15 proceeds realized by the sale that is identical to the percentage that CDBG funds comprised of the  
16 monies paid to initially acquire the property or construct the facility. This percentage amount will  
17 be calculated after deducting all actual and reasonable cost of sale from the sale proceeds.

18 10. DISPOSITION OF INCOME GENERATED BY THE EXPENDITURE  
19 OF CDBG FUNDS.

20 CITY shall inform COUNTY of any income generated by the expenditure of  
21 CDBG funds received by CITY from COUNTY. CITY may not retain any program income so  
22 generated. Any and all program income shall be returned to the County and may only be used for  
23 eligible activities in accordance with all CDBG requirements, including all requirements for citizen  
24 participation.

25 The COUNTY is required by HUD to monitor and report the receipt and use of all  
26 program income. CITY is required to track, monitor, and report any and all program income as  
27 requested by COUNTY.  
28

11. TERMINATION.

Except as provided for in Paragraph 2, CITY and COUNTY cannot terminate or withdraw from this Agreement while it remains in effect.

12. FORMER AGREEMENTS UTILIZING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS BETWEEN COUNTY AND CITY.

All agreements between CITY and COUNTY regarding the use of CDBG funds for fiscal years 1975-76 through 2020-2021, and any Supplemental Agreements thereunder, shall remain in full force and effect. If the language of this Agreement is in conflict or inconsistent with the terms of any prior said agreements between CITY and COUNTY, the language of this Agreement will be controlling.

13. INDEMNIFICATION

CITY agrees to indemnify, defend and hold harmless COUNTY and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising from CITY acts, errors or omissions and for any costs or expenses incurred by COUNTY on account of any claim therefore, except where such indemnifications is prohibited by law. CITY shall promptly notify COUNTY in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. CITY shall indemnify and hold harmless COUNTY against any liability, claims, losses, demands, and actions incurred by COUNTY as a result of the determination by HUD or its successor that activities undertaken by CITY under the program(s) fail to comply with any laws, regulations, or policies applicable thereto or that any funds billed by and disbursed to CITY under this Agreement were improperly expended.

14. COMPLIANCE WITH LAWS AND REGULATIONS.

By executing this Agreement, the Parties hereby certify that they will adhere to and comply with all applicable Federal, state, and local laws, regulations, and ordinances.

15. ENTIRE AGREEMENT.

It is expressly agreed that this Agreement embodies the entire agreement of the Parties in relation to the subject matter hereof, and that no other agreement or understanding, verbal or otherwise, relative to this subject matter, exists between the Parties at the time of

1 execution.

2 16. SEVERABILITY.

3 Each paragraph and provision of this Agreement is severable from each other  
4 provision, and if any provision or part thereof is declared invalid, the remaining provisions shall  
5 remain in full force and effect.

6 17. ASSIGNMENT.

7 The Parties will not make any sale, assignment, conveyance or lease of any trust  
8 or power, or transfer in any other form with respect to this Agreement, without prior written  
9 approval of the other Party.

10 18. INTERPRETATION AND GOVERNING LAW.

11 This Agreement and any dispute arising hereunder shall be governed by and  
12 interpreted in accordance with the laws of the State of California. This Agreement shall be  
13 construed as a whole according to its fair language and common meaning to achieve the objectives  
14 and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are  
15 to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all  
16 Parties having been represented by counsel in the negotiation and preparation hereof.

17 19. WAIVER.

18 Failure by a Party to insist upon the strict performance of any of the provisions of  
19 this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default  
20 of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict  
21 compliance by the other Party with the terms of this Agreement thereafter.

22 20. JURISDICTION AND VENUE.

23 Any action at law or in equity arising under this Agreement or brought by a Party  
24 hereto for the purpose of enforcing, construing or determining the validity of any provision of this  
25 Agreement shall be filed in the Superior Court of California, County of Riverside, State of  
26 California, and the Parties hereto waive all provisions of law providing for the filing, removal or  
27 change of venue to any other court or jurisdiction.

1                   21.    PROHIBITION OF CDBG FUND TRANSFER

2                   The CITY may not sell, trade, or otherwise transfer all or any portion of the CDBG  
3 funds to another such cooperating city, metropolitan city, urban county, or Indian tribe, that  
4 directly receives CDBG funds in exchange for any other funds, credits, or non-Federal  
5 considerations. CITY must use the CDBG funds for activities eligible under Title I of the ACT.

6                   22.    EMERGENCY SOLUTIONS GRANT FORMULA ALLOCATION

7                   CITY acknowledges that while participating in the COUNTY's Urban County  
8 program, CITY can only receive a formula Emergency Solutions Grant (ESG) allocation from  
9 the Urban County program and only at such times as authorized by the Board of Supervisors. The  
10 CITY and COUNTY may also apply for ESG funds from the State of California, if permitted by  
11 the State.

12                  23.    HOME INVESTMENT PARTNERSHIP ACT FORMULA  
13 ALLOCATION

14                  CITY acknowledges that while participating in the COUNTY's Urban County  
15 program, CITY can only receive a formula HOME allocation from the Urban County program  
16 and only at such times as authorized by the Board of Supervisors. The CITY and COUNTY may  
17 also apply for HOME funds from the State of California, if permitted by the State.

18                  24.    AMENDMENTS

19                  No change, amendment, or modification to the Agreement shall be valid or binding  
20 upon CITY or COUNTY unless such change, amendment, or modification is in writing and duly  
21 executed. CITY and COUNTY agree to adopt any necessary amendments to this Agreement to  
22 incorporate changes required by HUD as set forth in the Urban County Qualification Notice.  
23 Amendments must be submitted to HUD as provided in the Urban County Qualification Notice  
24 and failure to do so will void the automatic renewal for such qualification period.

25                  24.    AUTHORITY TO EXECUTE.

26                  The persons executing this Agreement or exhibits attached hereto on behalf of the  
27 Parties to this Agreement hereby warrant and represent that they have the authority to execute  
28 this Agreement and warrant and represent that they have the authority to bind the respective

Parties to this Agreement to the performance of its obligations hereunder.

25. INCORPORATION OF RECITALS

The Parties hereby affirm the facts set forth in the recitals above. Said recitals are incorporated herein and made an operative part of this Agreement.

**IN WITNESS WHEREOF**, the COUNTY and CITY have executed this Agreement on the date shown below.

Date: \_\_\_\_\_

COUNTY OF RIVERSIDE,  
a political subdivision of the  
State of California

CITY OF DESERT HOT SPRINGS,  
a general law city

BY: \_\_\_\_\_  
Heidi Marshall, Director  
Housing, Homelessness Prevention  
& Workforce Solutions

BY: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:  
Gregory P. Priamos, County Counsel

ATTEST:

By: \_\_\_\_\_  
Amrit Dhillon, Deputy County Counsel

BY: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
City Attorney

1  
2  
3  
4                   COUNTY COUNSEL CERTIFICATION

5           The Office of County Counsel hereby certifies that the terms and provisions of this  
6 Agreement are fully-authorized under state and local law and that the Agreement provides full  
7 legal authority for the COUNTY to undertake, or assist in undertaking, essential community  
8 development and housing assistance activities specifically urban renewal and publicly assisted  
9 housing.

10                                   Gregory P. Priamos  
11                                   County Counsel

12  
13                                   By: \_\_\_\_\_  
14                                   Deputy, Amrit Dhillon  
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